



EXECUTIVE CHAMBERS

HONOLULU

BENJAMIN J. CAYETANO
GOVERNOR

April 12, 2002

EXECUTIVE MEMORANDUM

MEMO NO. 02-01

TO: All Department Heads
SUBJECT: FY 02 Revenue Shortfall

Actual revenue collections to date are significantly lower than that projected by the State Council on Revenues, and it is expected that total Fiscal Year 2002 resources through June 30, 2002, will be considerably less than anticipated. Based on this data, expenditures will substantially exceed projected revenues each year from FY 02 through FY 06, if no action is taken.

Accordingly, effective immediately, departments shall exercise extreme caution in all general fund spending, and shall exercise particular restraint in expenditures for travel, equipment purchases, and the filling of vacancies. It is hoped that these immediate precautions will preclude the necessity of taking more drastic actions later, such as the imposition of substantial statewide restrictions, or reductions in force.

I cannot overemphasize the importance of your cooperation during these trying times.

BENJAMIN J. CAYETANO